

## Message Text

LIMITED OFFICIAL USE

PAGE 01 BEIRUT 02892 250741Z  
ACTION NEA-11

INFO OCT-01 ISO-00 SS-15 TRSE-00 EB-08 NSC-05 CIAE-00  
INR-10 NSAE-00 L-03 PA-01 OMB-01 /055 W  
-----110157 251239Z /64 L  
R 250537Z MAY 78  
FM AMEMBASSY BEIRUT  
TO SECSTATE WASHDC 8074

LIMITED OFFICIAL USE BEIRUT 2892

E.O. 11652: N/A  
TAGS: EFIN, LE  
SUBJ: GOL 5-YEAR TREASURY BOND DRIVE RAISES LL 75 MILLION

REF: BEIRUT 2681

1. RESULTS OF GOL 5-YEAR BOND ISSUED MAY 20 (REFTTEL)  
POSITIVE. BANK OFFERS TO BUY EXCEEDED LL 100 MILLION AT  
INTEREST RATES RANGING BETWEEN 6.5 AND 8 PERCENT.  
MINFINANCE ELECTED TO ACCEPT BANK OFFERS AS BID RATHER  
THAN SET AN AVERAGE PRICE FOR THE ISSUE TO ALL BIDDERS AND  
THEREFORE, IN INTEREST OF AN EQUITABLE SALE, RESTRICTED ITS  
ACCEPTANCE TO SPAN OF ONE-HALF PERCENT BETWEEN 6.5 AND  
7.9 PERCENT INTEREST. OFFERS TO SUBSCRIBE IN THAT RANGE  
TOTALED 75.1 MILLION (\$25.8 MILLION), SO THAT FIXED THE  
AMOUNT OF THE ISSUE. AVERAGE COST TO GOL THIS CAPITAL  
IS APPROXIMATELY 6.9 PERCENT.

2. COMMENT: INTEREST RATE IS IN LINE WITH GOL EXPECTATIONS  
AND THE AMOUNT AT LL 75 MILLION IS HEALTHY. ACCORDING TO  
KNOWLEDGEABLE SOURCE, LL 100 MILLION COULD HAVE BEEN  
TAPPED BY EXTENDING THE ACCEPTANCE RANGE ONE-QUARTER  
PERCENT, BUT GOL WAS UNWILLING ALIENATE LOW BIDDERS OR  
EXCEED 7 PERCENT RATE IN ORDER TO INCREASE ITS TAKE.  
MOST OFFERS CLEARLY WERE IN 7-7 1/2 PERCENT RANGE. BY  
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WORLD STANDARDS THIS IS RELATIVELY CHEAP MONEY THAT CAN  
BE EXPLAINED BY LEBANON'S UNUSUAL COMBINATION OF POLITICAL  
INSTABILITY, LOW INVESTMENT DEMAND AND HIGH BANK LIQUIDITY.  
UNLESS ADVERSE POLITICAL DEVELOPMENTS INTERVENE IN THE  
MEANTIME, WE EXPECT GOL WILL ATTEMPT ANOTHER ROUND OF  
MEDIUM-TERM BONDS IN LATE SUMMER.  
LANE

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FIVE YEAR PLAN, BONDS (SECURITIES)  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 25 may 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978BEIRUT02892  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780220-1291  
**Format:** TEL  
**From:** BEIRUT  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780521/aaaaarit.tel  
**Line Count:** 62  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 41fc4497-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION NEA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 BEIRUT 2681  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 05 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2578298  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** GOL 5-YEAR TREASURY BOND DRIVE RAISES LL 75 MILLION  
**TAGS:** EFIN, LE  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/41fc4497-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014